

NATIONAL STOCK EXCHANGE OF INDIA LIMITED**DEPARTMENT : FUTURES & OPTIONS**

Download Ref No : NSE/FAOP/35688

Date : August 31, 2017

Circular Ref. No : 89/2017

All Members,

Adjustment of Futures and Options contracts in the security RELIANCE

In pursuance of SEBI guidelines for adjustments to futures and options contracts on announcement of corporate action, the members are informed of the following:

Reliance Industries Limited has informed the Exchange that the Board of Directors of the Company at its meeting held July 21, 2017 has, subject to approval of members of the Company through postal ballot, recommended issue of Bonus Shares to the members of the Company by capitalisation of its reserves in the ratio of 1 (one) bonus equity share of Rs. 10/- each fully paid-up for every 1 (one) existing equity share of Rs. 10/- each fully paid-up (that is in the ratio of 1:1) held by the members as on 'record date'. Further, the company has fixed Record Date as September 9, 2017 for the purpose of Bonus Equity Shares.

Symbol : RELIANCE
Bonus issue ratio : 1:1
Ex-Date : September 07, 2017

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of RELIANCE, the adjustment factor is $(1+1)/1 = 2$, since the bonus issue ratio is 1:1.

Adjustments for Options Contracts:

1. Strike Price: The adjusted strike price shall be arrived at by dividing the old strike price by the adjustment factor.
2. Market Lot: The adjusted market lot shall be arrived at by multiplying the old market lot by the adjustment factor. The revised market lot would be **1000**.

Adjustments for Futures Contracts:

1. Futures price: The adjusted futures price shall be arrived at by dividing the old futures price by the adjustment factor.
2. Market Lot: The adjusted market lot shall be arrived at by multiplying the old market lot by the adjustment factor. The revised market lot would be **1000**.

An example of the adjustments described above is given in Annexure 1.

The methodology for position adjustments shall be separately intimated by NSCCL.

The above changes shall be effective from September 07, 2017.

Members are advised to load the updated contract.gz file in the trading application before trading on September 07, 2017. This file can be obtained from the directory faoftp/faocommon on the Extranet server.

The details of the revised option strike prices, futures prices, lot size and quantity freeze limit will be informed to members separately on September 06, 2017.

**For and on behalf of
National Stock Exchange of India Limited**

**Khushal Shah
Chief Manager**

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Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	RELIANCE	28-SEP-2017	1600.00	CE	500
OPTSTK	RELIANCE	28-SEP-2017	1600.00	PE	500
OPTSTK	RELIANCE	28-SEP-2017	1620.00	CE	500
OPTSTK	RELIANCE	28-SEP-2017	1620.00	PE	500

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	RELIANCE	28-SEP-2017	800.00	CE	1000
OPTSTK	RELIANCE	28-SEP-2017	800.00	PE	1000
OPTSTK	RELIANCE	28-SEP-2017	810.00	CE	1000
OPTSTK	RELIANCE	28-SEP-2017	810.00	PE	1000

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	RELIANCE	28-SEP-2017	1599.75	500

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	RELIANCE	28-SEP-2017	799.90	1000

If the revised strike/futures prices and the lot size on account of adjustment appear in decimal places, the strike/futures prices shall be rounded off to the nearest tick size and the lot size shall be rounded off to the nearest integer.

The figure is only an indicative value for the purpose of example.